

Homeland Security

The House Republican budget includes a total of \$37.7 billion for homeland security activities, the same level as provided by the President's budget. This funding level is a \$10.1 billion (36.5 percent) increase over the 2002 enacted level (including emergency supplemental funding). Like the President's budget, the House Republican budget includes \$9.9 billion for homeland security within the national security function, of which \$7.8 billion is for the Department of Defense (DoD). Of the \$27.9 billion in non-defense homeland security, \$4.7 billion is for fee-funded programs. Thus, the Republican budgets include \$23.2 billion for non-defense appropriated homeland security programs.

Homeland Security Funding in the Republican Budgets (Budget Authority in Billions of Dollars)

	<u>2002</u>	<u>2003 Budget</u>	<u>Change</u>	<u>% Change</u>
Appropriated Programs:				
Department of Defense	\$4.9	\$7.8	\$3.0	61.0
Other Defense*	\$2.1	\$1.7	-\$0.4	-20.1
Non-defense Homeland Security	\$17.7	\$23.5	\$5.8	32.5
<i>Subtotal, Appropriated</i>	<i>\$24.7</i>	<i>\$33.0</i>	<i>\$8.3</i>	<i>33.6</i>
Fee-Funded Programs	\$2.9	\$4.7	\$1.8	60.9
Total Resources	\$27.6	\$37.7	\$10.1	36.5

Numbers may not add exactly due to rounding.

All numbers based on OMB estimates.

**Other Defense includes homeland security funding for the Department of Energy and other agencies, such as the Coast Guard, which also receive national security funding.*

- **Appropriated Programs** — As the table above indicates, the Republican budgets increase homeland security by 36.5 percent over the 2002 enacted level. The 2002 level includes homeland security funding provided by the Congress in the second \$20 billion of the \$40 billion supplemental appropriated in the aftermath of September 11. The table that follows displays the appropriated funding levels for 2003 in the Republican budgets for homeland security function by function.

Homeland Security Funding in the Republican Budgets

Appropriated Programs Only

(Budget Authority in Millions of Dollars)

Function #	Function Title	Amount
050	National Defense	9,522
150	International Affairs	191
250	General Science, Space, and Technology	365
270	Energy	55
300	Natural Resources and Environment	316
350	Agriculture	206
370	Commerce and Housing Credit	114
400	Transportation	5,505
450	Community and Regional Development	3,515
500	Education, Training, Employment, and Social Services	133
550	Health	4,393
600	Income Security	121
700	Veterans Benefits and Services	35
750	Administration of Justice	8,044
800	General Government	466
	Other*	52
Budget Authority Total		33,033

* Proposals that are not yet traceable to any specific budget function are grouped into the “other” category.

Note: The table is based on information provided by OMB.

- ***Fee-Funded Programs*** — In addition to appropriated funding, governmental resources are available for homeland security through a variety of governmental fees. The agencies that levy these fees are allowed to use some or all of the receipts from these fees to finance homeland security activities. Since the spending on homeland security is offset by the receipt of the fees, these fee-funded programs have no net effect on the surplus or deficit. However, they do represent governmental resources that are expended for homeland

security. The Republican budgets include a total of \$4.7 billion for fee-funded programs, primarily in the following three areas:

- **Aviation** — The Aviation and Transportation Security Act, signed by the President last November, established a new Transportation Security Administration (TSA), which took over responsibility for aviation security from the Federal Aviation Administration. In order to help fund the TSA's activities, the law authorizes a passenger fee of \$2.50 per enplanement (capped at \$5 per one-way ticket) and security fees on air carriers. The Republican budgets reflect estimated collections of \$2.2 billion from these fees. These collections only partially cover the \$4.8 billion the Republican budgets provide for the TSA. For more information on this subject, see *Function 400 (Transportation)*.
- **Customs and Immigration and Naturalization Service (INS)** — Under current law, Customs, the Immigration and Naturalization Service, and other agencies related to border control, charge a variety of fees. A portion of these fees, \$1.8 billion for 2003, will help fund personnel and equipment to secure U.S. borders.
- **State Department** — The Republican budgets include \$623 million generated from application fees for machine-readable visas to be used for homeland security activities for 2003. The fees support border security initiatives within the State Department's Diplomatic and Consular programs.

Defining Homeland Security

Part of the difficulty in assessing the resources available for homeland security is that there is no commonly accepted definition of what activities constitute homeland security. For example, using the definition of homeland security that OMB used in its July 2001 report on anti-terrorism, CBO estimates the 2002 level of homeland security to be \$22.2 billion for appropriated programs, \$2.5 billion less than the level OMB now estimates. OMB has modified its definition since last summer. Discussion of the appropriate funding levels for homeland security is likely to be complicated by the uncertainty over what programs to include and exclude.